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Report Highlights:

This report provides a news synopsis of trade policy and agriculture/commodities in China. Trade policy includes: Sino-U.S. information platform for standard exchanges established. Agriculture/Commodities include: China's 11th five-year-plan addresses meat production; AQSIQ requests officials strengthen inspection of Sudan Red IV in salted eggs; China strictly controls avian influenza; Scientific breakthrough helps solve lactose intolerance; China exports chilled pork to Macau for the first time; \$2.1 million subsidy for dairy cattle genetic improvement in Heilongjiang.

Includes PSD Changes: No
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Trade Policy**Sino-U.S. information platform for standard exchanges established**

On November 9, 2006, SAC (Standardization Administration of China) and ANSI (American National Standard Institute) worked to resolve trade conflicts through an information platform and standard exchange so that each country could have a better understanding of each other's standards. This is China's first platform of this kind with a developed country and is based on a bilateral protocol of cooperation signed on September 18, 2006, between SAC and ANSI. SAC also plans to sign bilateral protocols of cooperation with Britain, Canada, France, Germany, Japan, South Korea, Australia, New Zealand and the ASEAN (Association of Southeast Asian Nations). (China Food Newspaper, 11/16/2006, ZJP)

Agriculture/Commodities**China's 11th five-year-plan addresses meat production**

According to China's 11th Five-Year-Plan (2006-2010) for the food industry, China's total meat production will reach 84 MMT by the end of 2010. Pork, poultry and beef and mutton will account for 60, 20 and 20 percent, respectively. Total meat product production is forecast to reach 11 MMT. (China Food Newspaper, 11/15/2006, ZJP)

AQSIQ requests officials strengthen inspection of Sudan Red IV in salted eggs

The Chinese media recently reported that duck farmers in China's Hebei province were mixing duck feed with Sudan Red IV in order to produce eggs with a more beautiful yolk after salting. Sudan Red IV is a carcinogenic chemical dye that is banned from food processing. In response, AQSIQ (the General Administration of Quality Supervision, Inspection and Quarantine) requested that all inspection and quarantine offices strengthen their inspections of Sudan Red IV in salted eggs. (China Food Newspaper, 11/16/2006, ZJP)

China strictly controls avian influenza

At a State Council press conference held on November 11, 2006, the Ministry of Agriculture (MOA) reported that China had wiped out 91 avian influenza (AI) outbreaks since 2004. From January to October 2006, 95 percent of China's poultry have been immunized, and 2,800 counties have Internet connections with MOA to report disease monitoring. Since the beginning of 2006, MOA disclosed that China had 10 AI outbreaks in 7 provinces; 90,000 poultry birds were infected, 47,000 died and 2.94 million were culled. In addition, 3,641 migratory birds were found dead in Qinghai province and Tibet Autonomous Region. According to the Ministry of Health, 20 human cases have also been reported since 2005 with 13 human cases reported just in 2006. From January to October 2006, MOA has received 4.5 million test samples from poultry, pigs, wild birds and other birds from various locations throughout China. As a result, flocks containing infected birds have been culled and disinfected. (The People's Daily, 11/11/2006, ZJP)

Scientific breakthrough helps solve lactose intolerance

China's lactose intolerant and diabetic consumers may once again be able to enjoy dairy products. A scientific breakthrough at the Shanghai Nutrition Research Institute allows sugar to be removed from milk, all the while, preserving its nutrient properties. (The People's Daily, 11/16/2006, ZJP)

China exports chilled pork to Macau for the first time

Earlier this week, China exported 1.7 MT of chilled pork to Macau for the first time. Exports to Macau follow China's successful market access of chilled pork to Hong Kong in August 2006. Currently, live swine are isolated for quarantine inspection 5 days prior to slaughter and China's official resident veterinarians monitor plants' live swine procurement, slaughter, processing, storage and transportation processes in order to guarantee that GMP (good manufacturing practices), SSOP (sanitation standard operating procedures) and HACCP

(hazard analysis and critical control point) systems are properly implemented. (China Food Newspaper, 11/16/2006, ZJP)

\$2.1 million subsidy for dairy cattle genetic improvement in Heilongjiang

According to Heilongjiang Provincial Livestock Bureau, Heilongjiang province (Northeast part of China) was recently awarded a \$2.1 million (RMB 16.8 million) subsidy for dairy cattle genetic improvement by the Chinese government. The subsidy will be allocated to various dairy bull stations throughout the province; individual straws of frozen semen will benefit from a \$1.91 subsidy. In 2005, Heilongjiang province received a \$664,968 (RMB 5.22 million) subsidy for the same purpose. (Holstein Farmer, November 2006, ZJP)